

COMPLETE LISTING OF ALL CLAIMS

Claims 1-5 (cancelled).

6. (currently amended) An automated system for matching borrowers at a specified interest rate to savers at a specified interest rate comprising an interconnected group of computers conducting a savings and loan auction between a plurality of savers' institutions acting on behalf of a plurality of savers and a plurality of borrowers' institutions acting on behalf of pre-qualified borrowers for a plurality of pre-set amounts of offered principal, each offered principal being offered for one of a plurality of pre-set time periods via a funds auctioneer, said system further comprising:

- (a) at least one of said group of computers being operated by said funds auctioneer;
- (b) a computer network comprised of said interconnected group of computers;
- (c) means for receiving an electronic savings deposit offer and ask interest rate from a prospective saver's institution over said computer network;
- (d) means for receiving an electronic loan request and bid interest rate from a prospective borrower's institution over said computer network;
- (e) means, located at said funds auctioneer, for electronically sorting, matching, and selecting electronic savings deposit offers and ask interest rates which match with electronic loan requests and bid rates to form a plurality of matches of bids and asks or transactions,
- (f) means, operated by said funds auctioneer, for electronically confirming each said

match of a bid and ask to each said saver's institution and each said borrower's institution which is a party to the matched bid and ask or transaction over said computer network;

(g) means, operated by said funds auctioneer, for electronically confirming each said match of a bid and ask to a clearing house bank and a surety, specifying each said saver's institution and each said borrower's institution, which is a party to the matched bid and ask or transaction, over said computer network;

(h) means, operated by said funds auctioneer, for electronically monitoring payments of principal and interest from each borrower's institution that is a party to a transaction via the clearing house bank to each saver's institution that is a party to the matched transaction;

(i) means for electronically issuing a negotiable certificate of deposit from the auctioneer to a saver via saver's institution and the clearinghouse bank;

(j) means for electronically redeeming and issuing notification of redemption of said auctioneer's negotiable certificate of deposit to the surety, the clearing house bank, the saver's institution, and the borrower's institution; and

(k) means, operated by said funds auctioneer, for electronically monitoring payments of principal and interest from each borrower's institution that is a party to a transaction via the clearing house bank to each saver's institution that is a party to the matched transaction.

7. (currently amended) The automated matching system for borrowers and savers according to claim 6 further comprising a means for electronically transferring final principal and accrued interest only from the borrower's institution via the clearing house

bank to the auctioneer's certificate holder and canceling the auctioneer's certificate of deposit.

8. (currently amended) The automated matching system for borrowers and savers of claim 7 further comprising a means for electronically transferring a discounted principal only to the borrower's institution for institutional transfer to the borrower.

9. (currently amended) The automated matching system for borrowers and savers of claim 8, further comprising means for dividing and electronically distributing a fee, the difference between the principal and discounted principal, amongst the auctioneer, the borrower's institution, the saver's institution, and the surety, wherein the surety is another institution.

10. (previously added) The automated matching system for borrowers and savers of claim 6 further comprising a local area network ("LAN") connected to said group of computers.

11. (currently amended) A method for conducting a savings and loan auction between a plurality of savers' institutions acting on behalf of a plurality of savers and a plurality of borrowers' institutions acting on behalf of pre-qualified borrowers for a plurality of pre-set amounts of offered principal, each offered principal being offered for one of a plurality of pre-set time periods via a funds auctioneer over a group of interconnected

computers, said funds auctioneer being an institution, said method comprising the steps of:

- (a) providing one of the group of computers for operation by the funds auctioneer;
- (b) providing another one of the group of computers for operation by savers' institutions and yet another one of the group of computers for operation by borrowers' institutions;
- (c) receiving an electronic savings deposit offer and ask rate from a prospective saver's institution over said computer network;
- (d) receiving an electronic loan request and bid rate from a prospective borrower's institution over said computer network;
- (e) said funds auctioneer, electronically sorting, matching, and selecting electronic savings deposit offers and ask rates which match with electronic loan requests and bid rates to form a plurality of matches of bids and asks or transactions,
- (f) said funds auctioneer, electronically confirming each said match of a bid and ask to each said saver's institution and each said borrower's institution which is a party to the matched bid and ask or transaction over said computer network or another computer network;
- (g) said funds auctioneer, electronically confirming each said match of a bid and ask to a clearing house bank and a surety, specifying each said saver's institution and each said borrower's institution, which is a party to the matched bid and ask or transaction, over said computer network or another computer network;
- (h) said funds auctioneer, electronically monitoring payments of principal and interest

from each borrower's institution that is a party to a transaction via the clearing house bank to each saver's institution that is a party to the matched transaction;

(i) electronically issuing a negotiable certificate of deposit from the auctioneer to a saver via saver's institution and the clearinghouse bank;

(j) electronically redeeming and issuing notification of redemption of said fund auctioneer's negotiable certificate of deposit to the surety, the clearing house bank, the saver's institution, and the borrower's institution; and

(k) electronically monitoring payments of principal and interest from each borrower's institution that is a party to a transaction via the clearing house bank to each saver's institution that is a party to the matched transaction.

12. (currently amended) The method of claim 11 further comprising the additional step of an institution electronically transferring final principal and accrued interest from the borrower's institution via the clearing house bank to the auctioneer's certificate holder and canceling the auctioneer's certificate of deposit.

13. (currently amended) The method of claim 12 further comprising an additional step of an institution electronically transferring a discounted principal to the borrower's institution for transfer to the borrower.

14. (currently amended) The method of claim 13 further comprising an additional step of the institutions electronically dividing a fee, the difference between the principal and discounted principal.

15. (previously added) The method of claim 14 further comprising the step of distributing the fee, partly to the auctioneer.

16. (currently amended) The method of claim 15 further comprising an additional step of the institutions electronically distributing the fee, partly to the borrower's institution.

17. (currently amended) The method of claim 16 further comprising an additional step of the institutions electronically distributing the fee, partly to the saver's institution.

18. (currently amended) The method of claim 17 further comprising an additional step of the institutions electronically distributing the fee, partly to the surety.

19. (currently amended) The method of claim 18 further comprising an additional step of the institutions providing a local area network ("LAN") connected to said group of computers.